A bill for an act

relating to human services; authorizing certain retroactive payments; authorizing certain additional elderly waiver services; establishing time frames for determining medical assistance eligibility; amending Minnesota Statutes 2008, sections 256B.0645; 256B.0915, by adding a subdivision; 256B.19, by adding a subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 256B.0645, is amended to read:

256B.0645 PROVIDER PAYMENTS; RETROACTIVE CHANGES IN ELIGIBILITY AND RETROACTIVE PAYMENTS.

Subdivision 1. **Retroactive changes in eligibility.** Payment to a provider for a health care service provided to a general assistance medical care recipient who is later determined eligible for medical assistance or MinnesotaCare according to section 256L.03, subdivision 1a, for the period in which the health care service was provided, may be adjusted due to the change in eligibility. This section does not apply to payments made to health plans on a prepaid capitated basis.

Subd. 2. **Retroactive payments.** Payment to a provider for health care and related services for a person who has applied for medical assistance waiver services or alternative care services and who is later determined eligible for the waiver or alternative care services, for the period in which the services were provided, shall be adjusted to cover all services eligible under the program retroactively to the date of the recipient's eligibility.

Sec. 2. Minnesota Statutes 2008, section 256B.0915, is amended by adding a subdivision to read:

Subd. 3i. **Additional elderly waiver services.** Based on the determination of the case manager, in consultation with the provider serving the elderly waiver client, if the client needs additional services for 120 days or less in order to avoid a premature or unnecessary nursing home placement, the case manager may authorize additional elderly waiver services that exceed the client's monthly cost limit. For such clients, the total cost of all elderly waiver services may not exceed the conversion cost limit for elderly waiver applicants who reside in a nursing facility as defined in subdivision 3b.

Sec. 3. Minnesota Statutes 2008, section 256B.19, is amended by adding a subdivision to read:

Subd. 2d. **Obligation of local agency to process medical assistance applications within established time frames.** (a) Except as provided in paragraph (b), when an individual submits an application for medical assistance and the individual's eligibility is based on disability or on being age 65 or older, the county must determine the applicant's eligibility and mail a notice of its decision to the applicant no later than:

(1) 60 days from the date of the application for an individual whose eligibility is based on disability; and

(2) 45 days from the date of the application for an individual whose eligibility is based on being age 65 or older.

(b) The county must determine eligibility and mail a notice of its decision within the time frames in paragraph (a), except in the following circumstances:

(1) the county cannot make a determination because, despite reasonable efforts by the county to communicate what is required, the applicant or an examining physician delays or fails to take a required action; or

(2) there is an administrative or other emergency beyond the county's control.

For the purposes of clause (2), a staffing shortage does not constitute an emergency beyond the county's control. In either of these events, the county must document in the applicant's case record the reason for delaying a determination of eligibility beyond the established time frames.

(c) The county must not use the time frames in paragraph (a) as a waiting period before determining eligibility or as a reason for denying eligibility because it has not determined eligibility within the established time frames.

(d) Effective July 1, 2010, unless one of the exceptions listed under paragraph (b) applies, if a county fails to comply with paragraph (a) and the applicant is ultimately determined to be eligible for medical assistance, the county is responsible for the entire cost of medical assistance services provided to the applicant by a nursing or other related

facility and not paid for by federal funds, from and including the first date of eligibility through the date on which the county mails written notice of its decision on the application. The applicable facilities shall bill and receive payment directly from the commissioner in customary fashion, and the commissioner shall deduct any obligation incurred under this paragraph from the amount due to the local agency under subdivision 1.

(e) This subdivision supersedes subdivision 1, clause (2), if both apply to an applicant.

EFFECTIVE DATE. This section is effective the day following final enactment.